

Minutes  
Otay Ranch Preserve Owner Manager Policy Committee Meeting  
County Administration Center, Room 302/303  
1600 Pacific Highway  
San Diego, CA 92101

February 12, 2007  
2:00 p.m. to 4:00 p.m.

**Approved by the POM Policy Committee on 11/05/07.  
Motion to approve by Deputy Mayor Jerry Rindone.  
Motion seconded by Supervisor Greg Cox.  
Motion Carried 2/0.**

Attendees:

**Chula Vista**

Mayor Cheryl Cox  
Dana Smith, Assistant City Manager  
Marisa Lundstedt, Environmental Planner  
Ann Moore, City Attorney  
Jim Sandoval, Director Planning and Building Department  
Boushra Salem, Senior Civil Engineer

**County of San Diego**

Supervisor Greg Cox  
Chandra Wallar, Deputy County Administrative Officer, Land Use &  
Environment Group  
Renée Bahl, Director Department of Parks and Recreation  
Maeve Hanley, Group Program Manager  
Casey Trumbo, Environmental Planner  
Cheryl Goddard, Environmental Planner  
Larry Duke, District Park Manager  
Claudia Anzures, County Counsel  
Dahvia Lynch, Group Program Manager  
Michael De La Rosa, District 1, District Director

**Public:**

Kim Kilkenny, Otay Ranch Company  
Ranie Hunter, Otay Ranch Company  
Rob Cameron, Otay Ranch Company  
Rikki Schroeder, McMillin  
Curt Noland, Otay Land Company  
Cam Tredennick, The Nature Conservancy

**1. Call To Order:** Supervisor Greg Cox and Mayor Cheryl Cox  
Call to Order at 2:10 by S. Cox  
Self introductions, all participants and public

Supervisor Cox: Invite participants to join us at table, Kilkenny and Schroeder sit at table. Introduces Kim Kilkenny to provide presentation on background to the Otay Ranch project (see attached presentation, hard copy distributed)

Kim Kilkenny: Has been involved since 1989. Legacy of Otay Ranch plan will be the preserve system.

(Slide 1 presentation) Kilkenny clarifies the Sierra Club's position that preserve land in Otay Ranch has not been dedicated is inaccurate. Developers, City & County have been implementing this throughout its inception.

(Slide 2 presentation) Kilkenny: Improvements to preserve system: Provided example of Otay tar plant & Maritime Succulent Scrub restoration success stories. Vernal pools will be preserved & Quino checkerspot butterfly habitat will be preserved. 13,340 acres (58% of all of Otay) will be preserved (public open space). 62% total (additional approximately 1,900 acres of private open space beyond the 13,340 acres) will be in some sort of open space (includes private open space). Acquisition assured and funding mechanism in place for management and monitoring.

(Slide 3 presentation) Kilkenny: Coastal Sage Scrub Preservation Levels: Region (50%), County (59%), Otay Ranch (78%)

Supervisor Cox: Visionary plan. Originally 62% and now higher is amazing. The fact that this amount is increasing is because of the Resource Agencies, County, City, and the other groups that have worked hard to make this happen. This is unique in the State and County. Kudos to Otay Ranch Company, the two jurisdictions & all those involved to make this happen.

**2. Preserve Owner Manager (POM) Process and Coordination (Smith)**

Dana Smith: Thank City & County staff for their hard work on this project to date.

**3. Overview of POM (Trumbo, Lundstedt & Goddard) – PowerPoint Presentation (See attached. Hard copy distributed)**

Slide 1

Introduction: Marisa Lundstedt

#### Slide 2

Lundstedt: 1988 Baldwin Company was land owner of entire Otay Ranch.  
1993 General Development Plan and Sub-Regional Plan approved by both City and County  
Resource Management Plan (RMP) also approved that established Otay Ranch Preserve (Preserve), and guidelines on Preserve assembly  
For every one acre of development, applicant must convey 1.188 acres to the Preserve Owner Manager

#### Slide 3

This map depicts the locations of the Villages as described in the General Development Plan/ Sub-Regional Plan. Lundstedt: The West side (Otay Valley Segment) is now in Chula Vista (CV)'s jurisdiction. The Preserve is concentrated in the County and southern CV

#### Slide 4

This map depicts the County's approved Conveyance Plan in cross-hatch. CV amended RMP to eliminate Conveyance Plan because they believe a large part of the Primary Conveyance Area has already been dedicated. Otay Ranch Company has an application in process with the County to eliminate the Conveyance Plan as well.

#### Slide 5

CV and County signed a Joint Powers Agreement in January 1996 establishing themselves as the Preserve Owner/Manager (POM). The POM is responsible for the implementation of RMP Phases I and II. Tasks include maintenance, education, monitoring, law enforcement, recreation programs, and coordination with the Otay Valley Regional Park.

POM also participates in the decision-making process that could affect Preserve size.

#### Slide 6

This slide depicts Exhibit B of the Joint Powers Agreement. It shows the Organizational Chart of the POM. Policy Committee meeting is today, February 12, 2007. Preserve Management Team met February 5, 2007. Staff has met ongoing to prepare for these meetings. CV largely takes on roles of education and research and County takes on the day-to-day management and monitoring of the Preserve since the County has a Department of Parks and Recreation whereas CV does not.

#### Slides 7

Casey Trumbo: Overall Otay Ranch map, including development bubbles and preserve areas. Three segments: Otay Valley, Proctor Valley and San Ysidro.

Slide 8

Trumbo: Otay Valley includes Salt Creek and Wolf Canyon. County has acquired some land within the Conveyance Area. CV owns a large portion of Salt Creek.

Slide 9

Trumbo: Upper Proctor Valley includes Village 13. California Department of Fish and Game and Fish and Wildlife Service have acquired portions of this area. Irrevocable Offers of Dedications (IOD) have been offered in this segment.

Slide 10

Trumbo: Lower Proctor Valley includes the only accepted IOD.

Slide 11

Trumbo: San Ysidro – nothing has occurred in this segment

**4. Reports**

**a. Irrevocable Offer of Dedication (IOD) Status**

**i. Accepted**

**1. McMillin, Slide 12**

Trumbo: To date, City and County have only accepted IODs from McMillin for ~516 acres. These parcels are located in the lower Proctor Valley Segment, south of Otay Reservoir.

Slide 13: *Management Activities*

Larry Duke: Seasonal park attendant 20 hrs/ week implementing general stewardship activities, including managing and patrolling dumping & Off-Highway Vehicles. Sheriff accessible 24 hours a day.

**4.a.ii. Pending**

**1. Otay Project LP/Otay Ranch Co.**

**a. Wolf Canyon, Slides 14-15**

Cheryl Goddard: Over 1000 acres of IOD land pending. CV has approved adjustments to the shape of the IOD for Wolf Canyon. The IOD will need to be vacated and another IOD issued in its place. Wolf Canyon IOD vacation areas were depicted in red and new, substitution areas were shown in green. POM has acknowledged but not accepted. Working with Otay Ranch Company to process the vacation of the IOD and substitution of new lands.

**4.a.ii. Pending**

**1. Otay Project LP/Otay Ranch Co.**

**b. Proctor Valley, Slides 16-17**

Goddard: Otay Ranch Company: Village 13 proposes 800 guest rooms, 1900 residential units (single and multi-family), elementary school, fire station, open space, and trails. ) An IOD (which covers both the red and green areas on the

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slide) has been offered for impacts from V 1, 5, 6, & 7. The green areas total approximately 260 acres. In 1999, the County Board of Supervisors allowed Otay Project LP and CV to use 266.6 acres within the Preserve for impacts to CSS for development within the City including construction of Olympic Parkway. The Board action allowed the 266.6 acres to count towards conveyance for future projects. Also being conveyed for impacts from V 1, 5, 6, & 7 is the blue portion on the slide - approximately 250 acres. This area has been dedicated to both the City and the County as an Open Space Easement. The Open Space Easement was dedicated per a General Plan Amendment that was approved by the County Board of Supervisors and is consistent with what is referenced as the 1995 Baldwin/Wildlife Agencies agreement that increased open space in Villages 13, 14, and 15 for more development rights within the City. Otay Ranch Company will offer this Open Space Easement as an IOD. At this time, the POM has acknowledged but not yet accepted these IODs due to proposed Preserve boundary modifications in relation to Village 13 as shown on slide 17. The white area is the unchanged development bubble, the green area is the unchanged Preserve boundary, the yellow areas are proposed development in the Preserve, and the turquoise area is proposed Preserve area that was designated as part of the development bubble. These modifications are currently being negotiated with the Wildlife Agencies, the City and the County due to the listing of the Quino Checkerspot Butterfly which is currently not a covered species under the County's MSCP Subarea Plan. The County will continue to coordinate with the City and the Wildlife Agencies regarding these Preserve boundary modifications

**4.a.ii. Pending**

**1. Otay Project LP/Otay Ranch Co.**

**b. 1999 Board Action, Slide 16**

Goddard covered this item along with her discussion above.

**4.a.ii. Pending**

**2. Brookfield Shea, Slide 18**

Trumbo: Brookfield Shea pending IODs.

- 40.607 acres (APN 643-070-09) Accepted by County 11/28/06
  - To date, have not received acceptance by CV. CV indicated they are waiting for Title Report and Phase I Site Assessment.
- 82.987 acres acknowledged by the County 3/2/06
- 25.796 acres acknowledged by the County 9/15/04

Updated, clear Title Report and Phase I confirming the absence of hazardous materials will be required prior to acceptance of the pending IODs.

**4.a.ii. Pending**

**3. McMillin/South County Investors, Slide 19**

Trumbo: McMillin pending IOD is only 0.586 acres. We are waiting for McMillin to offer additional IODs in this area before we accept. Once additional IODs are offered, an updated, clear Title Report and Phase I confirming the absence of hazardous materials will be required prior to acceptance.

Slide 20:

Trumbo: This slide depicts the accepted and offered IODS.

Slide 21: *Acreage Accounting*

Renée Bahl: Overall IOD Percentages (see handout) will be slightly different than what Kim Kilkenny presented because private lands and some other factors noted by Kilkenny were not accounted for in this breakdown of acreages. This acreage breakdown only takes into account conveyance and development lands.

Trumbo: Reviews and explains methodology of IOD accounting. Approximately 400 acres would remain to be preserved after build-out of the development area. This number would be greater if third party acquisition had been of development bubbles only. However, third party acquisitions included conveyance area and developable areas.

Mayor Cox: What is the difference between the 11,375 acre number presented by Staff vs. the numbers presented by Otay Ranch Company?

Kilkenny: If all preserve lands were acquired at 1.188 acres then the ultimate Preserve acreage would have been 11,375 acres. However, development bubble has shifted and changed over time, leading to 400 acre deficit in preserve acquired through conveyance. This land will not be conveyed to POM by Otay Ranch developers, but will have to be acquired through some other mechanism (i.e., third party purchase or for mitigation outside of project area).

Mayor Cox: Asks Kilkenny to clarify potential preservation mechanisms.

Kilkenny: This land would be available for purchase as off-site mitigation by projects that are not part of Otay Ranch.

Lundstedt: Third party acquisitions. More development land than Preserve was acquired through third party acquisitions. County acquisition was of Preserve land. Overall still on target - bottom line.

Supervisor Cox: Reinforces that remaining 400 acres will ultimately become preserve land, even though not through conveyance from Otay Ranch developers.

Slide 22: *Community Facilities District*

Lundstedt: Indicates slide is incorrectly named. Change Finance to Facilities. Overview of fund balances and overall budget (see handout). \$3,000-\$18,000/ yr from investment earnings. \$9,000-97,000 in tax revenues. \$22,000-\$99,000 total revenues.

Assessment is based on property owners and square footage of home. One for undeveloped property and the other for developed with residential. Commercial and investment properties do not contribute based on square footage of parcel.

Supervisor Cox: Why disparity in annual income from tax revenues?

Ann Moore: The tax rate varies each year based on expenditures. If there hasn't been enough expenditures, then the tax rate goes down. There is a maximum amount that is permitted to be assessed each year. Not clear what the amount is. (response to additional inquiry on this subject by Supervisor & Mayor Cox) Total amount vs. actual amount collected varies year by year depending on amount of reserves. There is also a maximum amount for the reserve budget, as well. There is an inflation index that may be applied, as well.

Mayor Cox: Will FY06-07 expenditures double, since only half of costs are shown?

Marisa: No.

Supervisor Cox: Is there a range of monthly contributions if all money in reserve were spent? (See above response from Moore)

Supervisor Cox: Can trails, etc. be financed with this money?

Marisa: No, that would need to be from a separate fund. This fund is for stewardship, maintenance, and monitoring activities described in the Resource Management Plans. Since the trails would serve more than just the residents of the Otay Ranch communities, the funding for building the trails within the preserve would need to come from a different funding source.

Mayor Cox: Do we expect management costs to increase dramatically in the near term future?

Bahl: Expenditures will increase dramatically in short term due to expansions in land base. Costs will be incurred for

- 1) Biological monitoring and cultural monitoring and,
- 2) IODs in hopper will be accepted.

This is not an increase in activities, but due to expansion of preserve area.

#### **4.b. Status of Long-Term Implementation Plan, Slide 23**

Trumbo: The Long-term Implementation Plan combines the policies, management and monitoring requirements from RMP Phases 1 and 2 into a user friendly document. Estimated completion date, June 30, 2007



## **5. Action Items: Slide 24-25**

Rikki Schroeder: Could the Staff Report be posted electronically?

Wallar: Our goal in the future is to post this information a minimum of one week before the next POM Policy Committee meeting.

Wallar: To clarify, City and County concur on the IOD language.

Trumbo: (supporting Chandra's comment) Error in staff report page 3 which reads "County recommendation" vs. "Staff recommendation"..

### **5.a. IOD Easement Language, Slide 24**

Trumbo: Infrastructure easements can be found to be a compatible use within the Preserve. However, the language in previously acknowledged IODs required revisions due to changes in the procedures for processing the IODs at both CV and the County. These revisions to the IOD easement language will clarify the acceptable types of infrastructure allowed within the preserve. Staff requests the Policy Committee's approval of the following concepts:

#### **i. Existing Easements**

Staff recommends allowing for existing easements on lands being offered to the POM as Preserve. The IOD language would acknowledge the existing easement rights.

#### **ii. Planned Facilities**

During the preparation of their Multiple Species Conservation Program (MSCP) Sub-area Plan, C.V. refined the locations of the infrastructure within the Preserve from the conceptual locations described and depicted in the RMP Phases 1 and 2.

Staff recommends allowing for those infrastructure facilities listed as "Planned Facilities" within the C.V. MSCP. This may require the amendment of the RMP.

### **5.b. IOD Substitution Language, Slide 25**

Trumbo: Staff recommends revisions to the substitution language in the IODs based on the following concepts:

- Grantor shall have the right to substitute other real property for portions of the real property described herein, subject to the approval of the Preserve Owner/Manager.
  - Grantor shall provide studies and other documentation that provides evidence that the land proposed for substitution:
    - Is located within the boundaries of the Otay Ranch Preserve Conveyance Area;



- Has title free from any encumbrances, to the satisfaction of the City and the County; and
- Has a Phase I Report which confirms absence of hazardous materials.

Upon satisfaction of the above conditions, the Preserve Owner/Manager Staff will recommend for concurrent approval to the appropriate decision-making body:

1. Vacation of the Irrevocable Offer of Dedication for land that is subject to the substitution and
2. Acceptance of Substitution Irrevocable Offer of Dedication of land to be conveyed to the City of Chula Vista and the County of San Diego as Preserve Owner Manager.

Lundstedt: Note the additional component of the staff recommendation is not included on presentation slide. This item is related to bullet number two: "Has title free from any encumbrances, *subject to the satisfaction of the City and the County*".

Supervisor Cox: Clarifies what the two recommendations are. 1) IOD Easement Language, 2) IOD Substitution Language.

#### MOTION:

Staff Recommendation 1

Mayor Cox: Move that Committee accept staff recommendation on item #1 IOD Easement Language regarding Existing and Planned Infrastructure Facilities

Supervisor Cox: Second

Vote: 2/0

Staff Recommendation 2

Mayor Cox: Move acceptance of staff recommendation on item #2 IOD Substitution Language

Supervisor Cox: Second, with revision to add the word, "subject" to the second bullet after the word encumbrances.

Vote: 2/0

#### **6. Public Comment**

Kim Kilkenny: Acknowledged Rikki Albertson's involvement in the creation of the Preserve system and the RMP.

Mayor Cox: Adds that this is an awesome achievement. Commends all for accomplishing this plan.

Supervisor Cox: Intent to set up semi-annual meetings for POM Policy Committee. The next would be some time in August or September.

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Acknowledge that there are other issues that staff will be working on in the meantime. For the next meeting:

- Would like more information on the size of the fund reserve and the top end amount for assessments
- What may need to be done for management and monitoring, etc.,
- County of SD, City of SD and Chula Vista have worked together to do a phenomenal amount of clean-up in Otay River Park with Donovan Crew (prisoner crew). Review applicability to the Preserve.

Has discussed trails with Andy Yuen of U.S. Fish & Wildlife Service and on February 27, 2007 there will be a meeting to discuss where property owners beyond Otay Ranch Preserve and Otay Valley Regional Park boundaries would like to build trails. Hopes to build a trail system that connects communities beyond the Otay Valley. The invitation to the meeting was extended to other Resource Agencies and property owners as well as the City of Chula Vista.

Wallar: Suggests that staff develop a 5-year spending plan for the funds in the Community Facility District Account and present this to the POM Policy Committee to illustrate how and when monies will be spent.

## **7. Adjournment**

Supervisor Cox: Adjourn until next meeting sometime in August or September (3:20pm).